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DEPARTMENT OF LIVESTOCK



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STATE OF MONTANA

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STATE DOCUMENTS COLLECTION

BEFORE THE BOARD OF MILK CONTROL OF THE STATE OF MONTANA ANNOUNCEMENT OF CLASS I, II & III PRODUCER PRICES

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PRODUCER CLASS I PRICE IN MONTANA

REF: ARM 32.24.301(3)

EFFECTIVE OCTOBER 1, 1997:

The minimum price to pay milk producers, under ARM 32.24.301, is \$14.62 per hundred pounds of milk testing 3.5% butterfat, f.o.b. the milk distributor's plant.

When milk does not test 3.5% butterfat, compute the applicable price by applying a differential of twelve cents for each one-tenth of one percent butterfat above or below the midpoint of each producer payment. The value of one pound of butterfat utilized will be one dollar and twenty cents (\$1.20).

PRODUCER CLASS II PRICE IN MONTANA

REF: ARM 32.24.301(4)

CLASS II PRICE FOR MILK TESTING 3.5%

\$12.04 /CWT

Average spray process dry milk solids			
price per pound	=	\$1.08500	
Multiplied by 8.2	x	8.2	
		\$8.89700	\$8.89700
PLUS +			
Average Grade 'A' 92 score butter			
price per pound	=	\$1.01500	
Multiplied by 4.2	x	4.2	
		\$4.26300	+ \$4.26300
			\$13.16000
LESS 8.5% (\$13.16000 X .085)		- \$1.11860
			\$12.04140

Rounded to the nearest whole cent = \$12.04 /hundredweight.

CLASS II BUTTERFAT PRICE PER POUND**\$1.15 /LB**

Butterfat differential	(\$1.01500	X .111)	=	\$0.11267
Rounded to the nearest half cent				=	\$0.115

CLASS II VALUE OF ONE POUND OF SKIM**0.083056995 /LB**

Butterfat value per pound	=	\$1.15
for milk at 3.5% test:		

Hundredweight price of milk testing 3.5%	=	\$12.04
LESS 3.5 pounds of butterfat at	\$1.15 per pound	- \$4.025

Value of 96.5 pounds of skim	=	\$8.015
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Value of one pound of skim	(8.015 / 96.5 pounds)	=	\$0.08306 /LB
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PRODUCER CLASS III PRICE IN MONTANA

REF: ARM 32.24.301(5)

CLASS III BUTTERFAT PRICE PER POUND**\$0.91 /LB**

Avg. Grade 'A' 92 score butter price/LB	\$1.01500
LESS 10%	- \$0.10150
	\$0.91350

Rounded to the nearest whole cent	=	\$0.91 per pound.
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CLASS III PRICE PER CWT FOR SKIM MILK UTILIZED**7.38451 /CWT**

Avg. spray process dry milk solid price/LB	\$1.08500
Multiplied by 8.2	8.2
	\$8.89700
LESS 17%	\$1.51249
	\$7.38451

Rounded to the nearest whole cent	=	\$7.38 per hundredweight.
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CLASS III PRICE PER CWT FOR MILK TESTING 3.5%**\$10.31 /CWT**

3.5 pounds of butterfat	x	\$0.91 per pound =	\$3.185
96.5 pounds of skim		\$0.07385 per pound =	\$7.127

\$10.312 /CWT**BY ORDER OF THE MONTANA MILK CONTROL BUREAU**

Compiled by:

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 Marilyn M. Koontz, Program Specialist
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BREAKDOWN BY TEST FOR CLASS I, II & III SKIM PRICES

CLASS I SKIM PRICE BASED ON \$14.62 FOR 3.5% MILK 96.5 LBS = \$10.420		CLASS II SKIM PRICE BASED ON \$12.04 FOR 3.5% MILK 96.5 LBS = \$8.015		CLASS III SKIM PRICE BASED ON \$10.31 FOR 3.5% MILK 96.5 LBS = \$7.127	
TEST	PRICE/LB	TEST	PRICE/LB	TEST	PRICE/LB
2.50	\$0.10687	2.50	\$0.08221	2.50	\$0.07309
2.55	\$0.10693	2.55	\$0.08225	2.55	\$0.07313
2.60	\$0.10698	2.60	\$0.08229	2.60	\$0.07317
2.65	\$0.10704	2.65	\$0.08233	2.65	\$0.07321
2.70	\$0.10709	2.70	\$0.08237	2.70	\$0.07324
2.75	\$0.10715	2.75	\$0.08242	2.75	\$0.07328
2.80	\$0.10720	2.80	\$0.08246	2.80	\$0.07332
2.85	\$0.10726	2.85	\$0.08250	2.85	\$0.07336
2.90	\$0.10731	2.90	\$0.08254	2.90	\$0.07339
2.95	\$0.10737	2.95	\$0.08259	2.95	\$0.07343
3.00	\$0.10742	3.00	\$0.08263	3.00	\$0.07347
3.05	\$0.10748	3.05	\$0.08267	3.05	\$0.07351
3.10	\$0.10753	3.10	\$0.08271	3.10	\$0.07355
3.15	\$0.10759	3.15	\$0.08276	3.15	\$0.07358
3.20	\$0.10764	3.20	\$0.08280	3.20	\$0.07362
3.25	\$0.10770	3.25	\$0.08284	3.25	\$0.07366
3.30	\$0.10776	3.30	\$0.08289	3.30	\$0.07370
3.35	\$0.10781	3.35	\$0.08293	3.35	\$0.07374
3.40	\$0.10787	3.40	\$0.08297	3.40	\$0.07377
3.45	\$0.10792	3.45	\$0.08301	3.45	\$0.07381
3.50	\$0.10798	3.50	\$0.08306	3.50	\$0.07385
3.55	\$0.10804	3.55	\$0.08310	3.55	\$0.07389
3.60	\$0.10809	3.60	\$0.08314	3.60	\$0.07393
3.65	\$0.10815	3.65	\$0.08319	3.65	\$0.07396
3.70	\$0.10820	3.70	\$0.08323	3.70	\$0.07400
3.75	\$0.10826	3.75	\$0.08327	3.75	\$0.07404
3.80	\$0.10832	3.80	\$0.08332	3.80	\$0.07408
3.85	\$0.10837	3.85	\$0.08336	3.85	\$0.07412
3.90	\$0.10843	3.90	\$0.08340	3.90	\$0.07416
3.95	\$0.10849	3.95	\$0.08345	3.95	\$0.07420
4.00	\$0.10854	4.00	\$0.08349	4.00	\$0.07423
4.05	\$0.10860	4.05	\$0.08353	4.05	\$0.07427
4.10	\$0.10865	4.10	\$0.08358	4.10	\$0.07431
4.15	\$0.10871	4.15	\$0.08362	4.15	\$0.07435
4.20	\$0.10877	4.20	\$0.08366	4.20	\$0.07439
4.25	\$0.10883	4.25	\$0.08371	4.25	\$0.07443
4.30	\$0.10888	4.30	\$0.08375	4.30	\$0.07447
4.35	\$0.10894	4.35	\$0.08380	4.35	\$0.07451
4.40	\$0.10900	4.40	\$0.08384	4.40	\$0.07455
4.45	\$0.10905	4.45	\$0.08388	4.45	\$0.07458
4.50	\$0.10911	4.50	\$0.08393	4.50	\$0.07462

